HUNTON & WILLIAMS

707 EAST MAIN STREET

P. O. Box 1535

2000 PENNSYLVANIA AVENUE, N. W.
P. O. BOX 19230
WASHINGTON, D. C. 20036
TELEPHONE 202-955-1500

FIRST VIRGINIA BANK TOWER P. O. BOX 3889 NORFOLK, VIRGINIA 23514 TELEN 755628

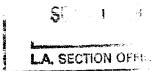
3050 CHAIN BRIDGE ROAD P. O. BOX 1147 FAIRFAX, VIRGINIA 22030 TELEPHONE 703-352-2200

2500 ONE ATLANTA PLAZA 950 EAST PACES FERRY ROAD ATLANTA, GEORGIA 30326 TELEPHONE 404-841-2700

RICHMOND, VIRGINIA 23212

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TELEX 6844251
TELECOPIER 804-788-8218

September 7, 1989



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IOO FARK AVENUE
NEW YORK, NEW YORK 10017
TELEPHONE 212 - 309 - 1000
TELEX 424549 HUNT UI

ONE HANNOVER SQUARE
P. O. BOX 109

RALEIGH, NORTH CAROLINA 27602

TELEPHONE 919-899-3000

FIRST TENNESSEE BANK BUILDING
P. O. BOX 951
KNOXVILLE, TENNESSEE 37901
TELEPHONE 615-637-4311

FILE NO.

DIRECT DIAL NO. 804 788-

Field Sales Directors and Section Offices Philip Morris U.S.A.

PRIVILEGED AND CONFIDENTIAL ATTORNEY-CLIENT COMMUNICATION

Dear Sir or Madam:

As the memo from Mr. Rickerson indicates, Hunton & Williams has been working with Philip Morris U.S.A. for the past several months on revising the existing records management program. As part of this update, we have revised the existing record retention schedules. In a meeting with Doug Nelson, Vice President of Field Sales, on August 28, we discovered that we would have to reformat the retention schedules we had developed for the Field Sales section offices and Field Sales directors due to the organizational structure changes in the Sales Department. We apologize for the delay.

You will note that we have retained the seven-region structure rather than attempting on our own to convert the information we received back in February to the new five-region structure. In addition to reviewing these retention schedules for completeness and accuracy, we ask that you indicate clearly which retention schedule will apply to you currently and be sure that all categories of records on that retention schedule adequately cover the records that you maintain. In order to do this, you may have to consult two or more retention schedules from the different regions due to the fact that you may now be responsible for areas that had previously been covered by another region or section.

Finally, we ask that you review the retention periods and attempt to shorten the length of time these records are retained where possible. Certainly, we also solicit your advice on whether these retention periods must be lengthened in order to meet the business needs of the Company.

HUNTON & WILLIAMS

Field Sales Directors and Section Offices September 7, 1989 Page 2

Thank you for your assistance in this project. We regret that we are working under such a tight time schedule, but ask that you try to return these retention schedules to us as soon as possible and preferably before September 20, 1989. Responses can be sent directly to me at the Raleigh address given above. If you have any questions, please do not hesitate to call me (919-899-3061).

Very truly yours,

Arthur J. DeBøugh

630/6145 Enclosures

cc: Stuart E. Rickerson, Esquire

Mr. Douglas H. Nelson

Thomas G. Slater, Jr., Esquire